

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF OREGON**

MICHAEL FIRESTONE, *et al.*,

Plaintiffs,

v.

JANET YELLEN, *et al.*,

Defendants.

Case No. 3:24-cv-1034-SI

ORDER

Michael H. Simon, District Judge.

Before the Court is Plaintiffs’ Motion for Injunction Pending Appeal. ECF 20. The Court has reviewed Plaintiffs’ Motion and declarations, Defendants’ Response (ECF 28), Plaintiffs’ Notice of Supplemental Authority (ECF 31), and Plaintiffs’ Reply (ECF 32). The Court does not believe that oral argument will be helpful in resolving the pending motion. *See* LR 7-1(d)(1).

In this case, Plaintiffs previously moved for a preliminary injunction, seeking to enjoin enforcement of the Corporate Transparency Act of 2021 (“CTA”), 31 U.S.C. § 5336. The Court denied Plaintiffs’ motion for preliminary injunction based on three independent and alternative grounds. ECF 18. First, the Court found that Plaintiffs had not shown a likelihood of success on the merits. Second, the Court found that Plaintiffs had not shown a likelihood of irreparable injury; indeed, with their motion for preliminary injunction, Plaintiffs offered no evidence at all

in support of this independent requirement. Third, the Court found that the balance of hardships did not tip in favor of Plaintiffs, let alone tip sharply in their favor. *Id.*

Concerning the issue of likelihood of success on the merits, the Court notes that the question of whether the CTA is constitutional has been addressed so far by four district courts. Two district courts have held the CTA unconstitutional. *See Nat'l Small Bus. United v. Yellen*, 721 F. Supp. 3d 1260 (N.D. Ala. 2024); *Texas Top Cop Shop, Inc. v. Garland*, No. 4:24-cv-478, 2024 WL 5049220 (E.D. Tex. Dec. 5, 2024). On the other hand, two district courts, including this Court, have rejected challenges to the constitutionality of the CTA. *See Firestone v. Yellen*, 2024 WL 4250192, (D. Or. Sept. 20, 2024); *Cnty. Associations Inst. v. Yellen*, No. 1:24-cv-1597 (MSN/LRV), 2024 WL 4571412 (E.D. Va. Oct. 24, 2024). Appeals from these decisions are pending before the Eleventh, Fifth, Ninth, and Fourth Circuits.

Regardless of how the question of the CTA's constitutionality ultimately gets resolved, Plaintiffs in the pending case presented no evidence whatsoever with their motion for preliminary injunction from which the Court could have found a likelihood of irreparable injury. All that Plaintiffs offered was speculation by counsel, including about the potential effects on non-parties who were not represented by any party before the Court. Thus, the appeal of the pending ruling by this Court denying Plaintiffs' motion for preliminary injunction is without merit, and the Court declines to issue Plaintiffs' requested injunction pending appeal.

The Court DENIES Plaintiffs' Motion for Injunction Pending Appeal (ECF 20).

IT IS SO ORDERED.

DATED this 18th day of December, 2024.

/s/ Michael H. Simon
Michael H. Simon
United States District Judge